

fishermen. Because if we do not mitigate this harm and do it very rapidly, we will be paying a severe price.

I would say more than just have relief, we need opportunity for a major recovery for more than 18 counties who are involved.

I thank the gentleman for both sharing his time but, more importantly, understanding the need for support for the people in North Carolina.

Mr. POMEROY. Mr. Speaker, I thank the gentlewoman for her comments.

Clearly, the initial disaster package added to the agriculture appropriations bill does not begin to compensate the economic loss that North Carolina has sustained.

I just know from again my own flood experience in North Dakota, everything that filthy water touches it destroys. And so, once that water recedes it leaves your families' belongings, some of their most treasured things, in a distorted, grotesque, and disgusting condition requiring removal. And then you build back starting from scratch. We are going to have to have a bigger Federal response helping your people off the floor, just as the Federal Government helped Grand Forks, North Dakota off the floor; and I stand to help my colleague.

ONE-PERCENT SOLUTION

The SPEAKER pro tempore (Mr. SIMPSON). Under the Speaker's announced policy of January 6, 1999, the gentleman from Arizona (Mr. HAYWORTH) is recognized for 60 minutes as the designee of the majority leader.

Mr. HAYWORTH. Mr. Speaker, I thank my colleagues from North Dakota and North Carolina for the conclusion of their time on this floor as they renewed their calls for something quite needed.

As a North Carolinian by birth, but now proud to represent the State of Arizona, Mr. Speaker, I would assure those North Carolinians and all Americans who have been affected by Nature's wrath and fury that we are acutely concerned for their plight. And I believe that we can work in a bipartisan way to solve those problems of an emergency nature, although one cannot help but note, Mr. Speaker, how much better it would have been if some \$20 billion in American taxpayers' money had not been used for foreign adventurism in the Balkans, but instead that money remained in the Treasury of the United States to help Americans when they were put in harm's way.

Mr. Speaker, I rise this afternoon to respond to some of the other less bipartisan statements made earlier by my colleagues on the left. I think it is important to offer straight talk, Mr. Speaker, to the American people about what we can call the 1-percent solution.

First we must celebrate our achievement. And my former colleagues in journalism, as I spent many years in

radio and television covering the news before I was honored to be sent by the people of the Sixth District of Arizona to this chamber, I would commend to my former colleagues and, Mr. Speaker, to the American people news that may have escaped the notice of the American people over the last 10 days as the budgeteers in both the White House and the Congress sat done and reevaluated what has transpired.

The fact is there is very, very, very good news. Because, for the first time since 1960, for the first time since Dwight David Eisenhower served as our President, this Congress has not only balanced the budget, this Congress did so without using one penny of the Social Security surplus. And moreover, Mr. Speaker, this Congress generated a surplus for the American people of \$1 billion over and above the reports we received today of close to \$124 billion of Social Security surplus money. So that is indeed good news.

But it does not change the fact, Mr. Speaker, that good people can disagree. And even as we welcome former President Ford and his lovely wife, Betty, today to receive jointly the Congressional Gold Medal and, in so doing that ceremony, we welcome the current President of the United States, it is worth noting that there are profound differences in our approaches.

Even as we celebrate the achievement of not raiding the Social Security Trust Fund for the first time in 40 years, we must remain steadfast in our resolve to stop that raid. And accordingly, those of us in the common sense conservative majority have offered the 1-percent solution.

I am holding in my hand, Mr. Speaker, a shiny new penny, no doubt made with copper from my home State of Arizona; and I hold this up, Mr. Speaker, to symbolize the 1-percent solution that we offer. Because we in the majority, to preserve and make sacrosanct the Social Security Trust Fund, say to the American people, Mr. Speaker, we simply need to have savings of one penny out of every Federal dollar in discretionary spending, a 1-percent savings; and in so doing, Mr. Speaker, we will continue to protect the Social Security surplus.

Now, sadly, from time to time in the discussion of public policy and different philosophical approaches, there is a casualty. The casualty is truth. And perhaps there were mistakes offered unintentionally by the House minority leader earlier today. Perhaps there were mistakes, misunderstandings offered by the White House press spokespeople today. But as former President Reagan used to say, "Facts are stubborn things."

□ 1700

Here are the facts with all due respect to Education Secretary Dick Riley, a former governor of South Carolina who stated yesterday that there would be massive cuts in education. Let us state for the record the

fact, our majority budget plan spends \$34.8 billion on education. The President's proposal was \$34.7 billion. In other words, Mr. Speaker, our common sense conservative majority is prepared to spend an additional \$100 million on education but to put those funds in the hand of the people who can make the difference, teachers in the classroom locally. Because while we understand that education is a national priority, it fundamentally remains a local concern. And again the math lesson is quite simple and unequivocal and apparent to all. We are using more resources and more dollars for education but we are using them at the local level. There is no cut. And quite frankly, Mr. Speaker, I wish the fear and smear and the failure of the Education Secretary to apparently learn his own mathematical lessons, well, I wish he would simply pay attention to this particular lesson: More funds than the President even requested but spent where it counts, in local classrooms, in local school districts, by local teachers and local school boards.

Mr. Speaker, I must also confess my surprise and remorse at the statements of General Shelton, Chairman of the Joint Chiefs of Staff. General Shelton, a fellow alumnus of North Carolina State University, Mr. Speaker, was quite simply wrong in his testimony to the Senate Armed Services Committee yesterday. I find it amazing that the minority leader claims that there would be military layoffs. Again, Mr. Speaker, facts are stubborn things.

Here are the facts. This common sense conservative majority in Congress has sought time and time and time again to increase our spending for national defense and indeed a check of the budget requests will bear this out. Our majority has devoted \$265.1 billion. The President proposed expenditures of \$263 billion. Simple mathematics points out that our common sense conservative Congress offers more than 2 billion additional dollars to keep America strong. It is unfortunate that those relied upon to lead our American fighting men and women have somehow descended into the realm of politics. I regret that, but I offer this criticism candidly and publicly to General Henry Hugh Shelton, Chairman of the Joint Chiefs. Mr. Speaker, General Shelton is wrong. Mr. Speaker, the administration and the minority on the Hill is engaged in a game of fear and smear.

I mentioned earlier, Mr. Speaker, the President of the United States joined us for a ceremony in the Capitol Rotunda just a few minutes ago. I appreciate the bipartisan sentiment there, and I would ask the President in a true spirit of bipartisanship to join with us in leading through example. Because, Mr. Speaker, this House is prepared to reduce its salary, the men and women who serve in the Congress of the United States within our common sense conservative majority, have pledged to reduce salaries by 1 percent. Constitutionally, we cannot do that for the executive branch at this juncture, but,

Mr. Speaker, I would ask the President, does he share that commitment? Will he voluntarily reduce his salary by 1 percent? Will he ask his Cabinet secretaries and other employees of his administration to reduce their salaries by 1 percent? Indeed, the 1 percent solution while we are intent on wiping out Washington waste, fraud and abuse, there are actions we can take to lead by example. How refreshing it would be, how truly bipartisan it would be if the minority in this House, Mr. Speaker, if our President at the other end of Pennsylvania Avenue would in fact join with us. We are happy to hear legitimate criticism. We took the remarks to heart, Mr. Speaker, and we hope the President would join us.

While I was meeting the press along with many of my colleagues who will join me here in short order in this special order, White House spokesman Joe Lockhart was meeting with the White House press at the other end of Pennsylvania Avenue. Let me quote from his press briefing today. The question comes on Social Security. The question for Mr. Lockhart is as follows:

"Just to be clear, the third option, you would under no circumstances accept going to the Social Security surplus at this point, is that correct?"

Mr. Speaker, listen to Press Secretary Lockhart's answer:

"We have put forward a better way. We hope they'll consider it. We'll be here. They understand what our ideas are."

Mr. Speaker, the ideas are encapsulated in the President's budget plan. The ideas have been borne out in a veto of some of our appropriations bills. Indeed, Mr. Speaker, we have the sad and sorry spectacle of the President of the United States vetoing a foreign aid bill because he says it does not spend enough money. He wants to increase those foreign expenditures by 30 percent, by some \$4 billion, and, Mr. Speaker, he offers no plan of where to find that money. Quite the contrary. The implication is clear, Mr. Speaker, for all to see. He has made a choice to take those funds out of Social Security, to take the retirement funds of American taxpayers who have paid into that system for years and years and years and use those funds, not for Americans but for others around the world. Facts are stubborn things. And in this day and age where we have to parse statements, where we fail to see a clear answer to the questions, we have to parse the statements. Again let me repeat the question from a member of the fourth estate from the journalistic fraternity at the White House:

"Just to be clear, the third option, you would under no circumstances accept going to the Social Security surplus at this point, is that correct?"

Lockhart's answer:

"We have put forward a better way. We hope they'll consider it. We'll be here. They understand what our ideas are."

Mr. Speaker, it would be refreshing if those who seek to offer variations on

the definition of what "is" is, if those who parse so many different statements could simply offer to the American people what President Ford gave us in his time of healing, what he in his first televised address to the American people called "A Little Straight Talk Among Friends." How refreshing it would be if this White House could say "yes" means "yes" and "no" means "no" and "is" means "is." The sad fact, Mr. Speaker, is clear. There is a clear and present danger to the Social Security funds of America's retirees because this administration in its budget pronouncements, in its veto messages, is prepared once again to raid the Social Security trust fund. Mr. Speaker, "no" means "no."

Mr. Speaker, I am honored to be joined on this floor for this hour by three hardworking Members of Congress. I would yield at this point to a gentleman who has served capably as an educator, who understands educational administration, who comes to this Chamber from the great State of Colorado, I yield now to the gentleman from Colorado (Mr. TANCREDI).

Mr. TANCREDI. Mr. Speaker, I am a freshman Member of the Congress. I have been here all of 10 months. I must say that in that time, I have witnessed a number of strange things, of course. I am sure that has been the case of all of my predecessors who came in. In their first time around this particular hall they saw things that were astounding to them. Recently, we put forward a plan, what I consider to be a very modest plan to achieve a very important goal. That goal, of course, is to hold inviolate the Social Security trust fund. In order to do that, we have to reduce some spending of the Federal Government. About \$600 billion worth of spending that the Federal Government now undertakes in discretionary programs alone, that is what we are going to have to reduce, by about 1 percent, or \$6 billion, in order to achieve the laudable goal that I described earlier. And the amazing thing that I have seen as a freshman is this reaction, the reaction of the administration, the reaction of my colleagues on the other side of the House, the reaction to a proposal to save 1 percent. Because people use the term "cut," and we get into that weird sort of definition of what a cut is. Are we really cutting any agency of the Federal Government if we were to reduce the budget by 1 percent? No, of course not. Because all of them, what we are talking about is next year's budget and all of the budgets have been increased fairly dramatically. So to cut from a proposed increase is not truly a cut. It is a savings. So we are talking about a savings of 1 percent.

You would think, of course, that we had proposed the end of civilization as we know it. You would think that the results of a 1 percent savings in the departments of the government that spend \$600 billion, you would think that it would mean blood in the streets if it were to be accomplished. That is

what is incredible to me as a freshman, to observe something like this. Then you see statements, statements of the President's Cabinet, members of the President's Cabinet. This one is just another amazing thing. Here is a statement by Interior Secretary Bruce Babbitt just yesterday. Pool reporters asked Secretary Babbitt, "Can I just say based on your answers generally that there really, as a practical matter, there is no more waste in government in your department?" To which Secretary Babbitt replied, "Well, it would take a magician to say there was no waste in government, we are constantly ferreting it out, but the answer otherwise is yes, you got it exactly right, that there is no waste in the Department of Interior."

Now, what is really incredible about this, on its face it is idiotic, that is for starters, but beyond that, at the same time that the Secretary of the Interior was telling the pool reporter that there was no waste in his department, a member of his department was telling the Committee on Resources that in fact they had lost \$7 million. The Committee on Resources heard testimony by Assistant Secretary Don Barry of the Fish and Wildlife Service explaining that his department could not account for \$7 million. Beyond that, the Department of Interior officials in the Department of Insular Affairs have used Federal property. Right now there is a major investigation going on because government employees in that department have used time and resources to assist the campaigns of Members of the Congress, Democrat Members of the Congress. I would say to my colleague, is that not a waste?

Mr. HAYWORTH. If the gentleman will yield on that point, I think, Mr. Speaker, that this bears amplification. What the gentleman from Colorado is telling this House at this hour, based on investigations by the House Committee on Resources, officials within the administration, on government time, using taxpayer dollars, were involved in partisan political campaigns.

Mr. TANCREDI. That is exactly what has happened. And it has happened to an extent that is quite extraordinary. I think we see these kinds of things periodically where someone might put up a poster in their office or something like that and maybe that is a technical violation but in fact it is no big deal and there is not a major case made.

□ 1715

What has happened in this particular department is egregious, the violations are egregious, and there are certainly going to be ramifications to it, and there is an ongoing investigation. But already people have left the government.

As my colleagues know, they have seen this happen before when somebody accuses this administration, when facts are uncovered about what this administration does. All of a sudden people

start leaving the country, are no longer to be found. Well, that is what is happening now in this particular case.

Remember this is the same gentleman, Secretary of Interior, telling us there is no waste in his department.

Mr. HAYWORTH. It would seem to me that the gentleman from Colorado has not only pointed out wasteful spending, but something that is equally, if not more, troubling, the blatant disregard for simple ethics and honest stewardship of the organs of government.

Indeed my friend from Colorado mentions his experience now as a freshman. I can harken back to my first term in office, honored to come here as part of a new majority, also serving at that point in time on the House Committee on Resources; and let me tell you this waste notion is nothing new. I can remember our first hearing on the subcommittee dealing with parks.

Now, Mr. Speaker, government does this, and my friend from Colorado can bear this out with his past administrative experience because government gives an interesting name to accountants. The Federal Government calls them inspectors general.

And so the Inspector General for the Interior Department was seated besides at that time the Director of the National Park Service, and the audit offered by the Inspector General at that time said that the National Park Service could not account for over 70 million dollars of taxpayer funds; and indeed, as we have seen from the latest study offered by our budgeteers and the General Accounting Office, the folks who do this to check on the business of government, if you will, there is waste and a lack of accountability to the tune of \$800 billion, and yet there are those in this administration who refuse to stand up and offer straight talk, who sadly, as agents that are in essence political provocateurs, abuse government property and taxpayer funds for political endeavors and still cannot seem to come to grips with a 1 percent solution that we need now more than ever to save Social Security and make sure that the raid is not renewed, a raid that will come based on the insistence of this President who vetoed a foreign aid bill saying he wanted to spend \$4 billion more on non-Americans. One penny out of every dollar of discretionary spending is all we ask.

And I appreciate the service of the gentleman from Colorado who will offer us more thoughts on his past experience in a moment, but I must turn now to a gentleman in his second term in office who honors us and honors the people of the Lone Star State of Texas. I yield now to the gentleman from Texas (Mr. BRADY).

Mr. BRADY of Texas. I appreciate the gentleman's leadership in trying to cut the waste and fraud and abuse from our government, working hard as a Member, esteemed Member, of this body that has tried to get more bang for the buck, to be the first Congress to

balance the budget without using the Social Security Trust Fund to rebuild the defense we all know has us so vulnerable today and to start, finally, after so many decades of deep digging such a deep hole for Social Security, being the first Congress to stop digging, to stop digging a deeper hole and to start rebuilding it; and I thank the gentleman from Arizona for his leadership.

During the Civil War, President Abraham Lincoln received a report from one of the generals that the President suspected was probably exaggerating the damage that he had inflicted upon the confederate soldiers in battle. Lincoln said the report reminded him of a man he knew who used to lecture about his travels abroad, but in his lectures often played sort of fast and loose with the facts. Well, the lecturer, knowing he was prone to exaggeration, asked a friend of his to yank on his coattails every time he drifted from the truth.

Well, soon after that, the other was telling an audience about a tall building he had seen in his recent trip to Europe. He was describing it, and he said, "and this building must have been a mile high and a mile and a half long."

Now just then, feeling a tug on his coattails, someone in the audience called, "And how wide was the building?"

Scrambling, the lecturer replied quickly, "Oh, about a foot wide."

There must be a lot of coattails being tugged over at the White House these days as the President, his dutiful military leaders and agency heads scramble to outdo each other in exaggerating the impact of our tiny 1 percent savings in this large and growing Federal budget. America, I think though, knows best because here is the real question we are facing:

Is there anyone in America who does not think Washington cannot become 1 percent more efficient? Is there a taxpayer anywhere who believes that we cannot work 1 percent smarter, 1 percent better? Because these taxpayers know they have, and even government employees we have got, well, we have got a big bureaucracy. We have got some very good people in these agencies, and even they are frustrated with the money they see wasted at work each day.

As my local constable, David Hill of Magnolia, told me Monday following a drug awareness program we had before one of our schools for Red Ribbon Week, he said, "One percent is nothing. Anyone can do that and especially to save Social Security." Well, David Hill is right; 1 percent is nothing. Anyone can do that, Mr. Speaker, and especially because we have Social Security at stake.

Look at some of the duplication we have. As my colleagues know, just look at some of the duplication we have here in Washington. Despite our best efforts, and I think we are just getting

started, we still have more than 500 inner-city programs, 500 different urban aid programs, more than 300 different economic development programs, more than 200 education programs, and recently people were congratulating us because we had consolidated down to only 100 different job training programs. That duplication has a real cost to taxpayers, Mr. Speaker; and it means that we are not helping the people the way we can.

In the Committee on Resources, which I serve on, it is the House Subcommittee on Energy and Mineral Resources, I was shocked recently to learn that each year government spends about 1 billion, that is with a "B," \$1 billion, helping about 5,000 salmon swim upstream, back upstream each year. The Federal Government share for each fish each year is between 2,000 and \$20,000 each year. Literally it is cheaper for us to rent a limousine for each fish or to put them in a first-class airplane seat and fly them to the top of the river each year. That would be cheaper than the way we go about saving these fish today, if indeed we need to.

The bottom line, as we all know, there is enough money for defense and health care and Social Security and the essentials here in Washington. There is not enough money for the foolishness. Despite our best efforts, we still have pork barrel projects, and they are real stinkers that we want to root out.

People want money left here in Washington so that votes can be traded. Well, last year during the Fast Track debate, one of the Democratic Members of Congress went to the White House to have his arm twisted to support Fast Track, and as he left, he quipped to reporters, "Well, the good news is I have six new bridges. Now if I only had a river."

The fact of the matter is that if we leave these dollars in Washington, they are going to go for pork barrel projects, they are going to go for trading votes, and again families and businesses have had to trim their budgets, set priorities. In Texas we all made it through a recession recently. It was not much fun. We all hunkered down, and we did it.

But government in Washington has never had to make the tough decisions. In government, Washington does not want to have to tell no to anyone. We do not want to make those tough decisions.

Mr. HAYWORTH. I thank my colleague from Texas (Mr. BRADY) because he points out something that there are so many examples of, and some of these examples, quite frankly, you laugh to keep from crying, Mr. Speaker.

For example, the Agency for International Development. Now remember, the President has just vetoed a foreign aid bill saying we are not spending enough on other folks around the world, we need to take \$4 billion of the Social Security Trust Fund, or I guess

he is suggesting we ought to raise taxes, to take care of this. But here is an example of international development, the Inspector General, the accountant, checking that from the report.

Ben and Jerry's Ice Cream, the folks up in Vermont; they have a few stores in Arizona, a couple of stores in the Sixth District, but also they have an interest in the former Soviet Union, the Russian Republic. In fact, the Agency for International Development, Mr. Speaker, gave Ben and Jerry's \$850,000 to develop and distribute ice cream in Russia. Now the folks at Ben and Jerry's wrote our majority in Congress and told us, "Oh, this is a pretty good idea to use taxpayers' money for ice cream going to Russians, and instead of following the free market route, to have taxpayers pay for the marketing of Ben and Jerry's ice cream."

Oh, there was something else, Mr. Speaker, that the Ben and Jerry's folks added in their letter; their belief, Mr. Speaker, that we should completely zero out defense spending and defense capabilities.

Mr. Speaker, I hope I can arrange an introduction of General Henry Hugh Shelton, Chairman of the Joint Chiefs, to Ben and Jerry and their ice cream, and I would just like to clear up any rumor, Mr. Speaker. There apparently is no truth to the rumor that Ben and Jerry want to develop a new flavor in honor of their pacifist leanings, even as they are happy to take American tax dollars to market ice cream in Russia. There was some talk going around that they had developed a new flavor: surrender sarsaparilla. But I do not think that is going to happen.

I gladly yield to my friend from Texas.

Mr. BRADY of Texas. I agree so much with what you are saying and examples of duplication and waste that we have here in Washington. Let me conclude with this:

My constable back in Magnolia, Texas, is right: 1 percent is nothing, and we can do that especially to save Social Security. It seems to me that this is kind of a hopeful start, to start to trim the fat here in Washington, to start to eliminate obsolete agencies and duplication, just to give people a better bang, a bigger bang for the buck that they send up here because 1 percent savings is so small. And I am convinced that because we are dealing with Social Security and our kids' futures, their retirement, and our neighbors' future and retirement, I guess I would ask that the President rather than the President acting like a Democratic President and perhaps trying to make us just conduct ourselves a Republican Congress, I am convinced that if we acted as an American President, an American Congress, worked together on this, that would solve this.

So I ask, Mr. President, join us in cutting wasteful spending that tiny little bit, 1 percent; and we will join with

you together, Republicans in Congress and a Democratic President, to save Social Security. But let us stop digging now.

Mr. HAYWORTH. I thank my colleague from Texas, and I think, Mr. Speaker, the American people reflect the sentiment expressed by my friend from Texas (Mr. BRADY). We need to approach this not as Republicans or as Democrats, but as Americans; and yet even as we celebrate that notion of nonpartisanship, we cannot help but note a difference that, Mr. Speaker, we need to inform the American people about.

You see, to us we have taken the commitment. No means no, hands off Social Security funds, Social Security funds should be used exclusively for Social Security. No means no to this common sense conservative majority, and yet to my friends in the minority and the folks at the other end of Pennsylvania Avenue no means maybe.

Here is the minority leader, the gentleman from Missouri, on ABC's This Week last Sunday. The gentleman from Missouri says, quote:

"We need to save the Social Security surplus as much as we possibly can."

□ 1730

Again, Mr. Speaker, why can he not join with us to say let us save 100 percent of the Social Security surplus?

Mr. Speaker, I am pleased now to yield to another newcomer to this Chamber, the gentlewoman from Illinois (Mrs. BIGGERT).

Mrs. BIGGERT. I thank the gentleman from Arizona and appreciate the opportunity to join him here tonight to discuss waste, fraud and abuse.

Yesterday House Minority Whip TOM DELAY and Republican Conference Chairman J.C. WATTS gave the American people specific examples of wasteful spending in the Federal Government. These examples included the construction of a \$1 million outhouse in Glacier National Park and the Department of Defense misplacement of two tugboats.

Continuing with this theme of promoting and advancing better and more efficient government by rooting out waste, fraud and abuse in Federal agencies, I come to the floor this evening to speak about management's problems that permeate the Federal student loan program.

American taxpayers currently provide through the Department of Education more than \$48 billion annually in Federal finance aid to roughly 8.5 million students. Unfortunately, the Department has serious problems monitoring these dollars and the individuals to whom they are awarded.

For almost 10 consecutive years, the General Accounting Office has put the Department of Education on its high risk list for waste, fraud and abuse because of its management shortcomings. Among other things, the GAO has reported that, first, the Department does

not adequately oversee schools that participate in student loan programs; second, that the Department uses inadequate management information systems that contain unreliable data; third, that the Department has too little information on the program's effectiveness to meet the information needs of Congress and other decision makers; and, finally, it cannot determine the taxpayer liability associated with almost \$150 billion in outstanding student loans.

These problems were outlined in a report released earlier this year by the Department's own Inspector General. The Department's Inspector General found that the Department of Education has forgiven over \$3.8 million in loans to individuals who were reported dead, but in fact were alive. The Department's Inspector General also found that roughly \$73 million in loans were forgiven to individuals who claimed to be permanently disabled when in fact they were not. That is what I call fraud.

Congress and the Department have taken steps to correct problems in this program by creating the Federal Government's first performance-based organization within the Office of Student Financial Assistance. While I applaud this effort and recognize the progress made by the Department, problems persist. A recent Associated Press article outlined errors made by the Department on 3.5 million college financial aid forms, 100 of which were distributed to colleges across the country.

Fixing this problem, which included recalling, destroying and reprinting these forms, will cost the American taxpayer another \$480,000, a half a million dollar mail mistake. That is what I call waste.

At a time when Congress is struggling to find the dollars needed to fund so many important programs, waste and mismanagement similar to the examples mentioned are unacceptable. Not only do the Department's management deficiencies hurt the taxpayer, but they also take away from the parents and students who legitimately need this aid. The millions lost by the Department's mismanagement might have been used to fund other critical programs such as educating homeless children and youth. This is a program that has not seen so much as a dollar increase for the past few years. Yet the \$4 million the Department lost by forgiving loans to the living dead would have gone a long way to helping homeless children across the country to succeed in school.

The millions lost by the Department's mismanagement could have been part of the saving of the 1 percent across the board efficiency we are looking for, not the wasteful spending that has occurred.

Mr. Speaker, we all understand the difficult funding circumstances under which this Congress and the administration are working. We can begin to ease these problems by working with

the Federal agencies to identify and to root out and then correct the problems that waste hundreds of millions of dollars of taxpayer money.

While the Federal student loan programs would be a good place to start this process, every other area of spending needs to be looked at as well, which we are doing tonight on several of the issues. But the education of our children is one of our top priorities, if not the top priority, and, as a matter of fact, this side of the aisle is spending \$34.8 billion on education in our appropriation bills versus the President's proposal of \$34.7 billion. So there will be no cuts to our children's needs. In fact, there will be more money than the President even requested. But we must be ever-vigilant to ensure that there is no fraud, waste and abuse so that we will have the money to spend on those critical programs that are necessary.

Mr. HAYWORTH. Mr. Speaker, I thank the gentlewoman from Illinois, because she points out the vital human equation at stake here. Not a mere recitation of facts and figures, though they are important, but the question becomes not only how much is set aside in terms of funding, and a substantial amount more by this common sense conservative majority in Congress than even proposed by the President in his budget when it came to education, but more how it is spent in local communities, for more accountability at home, and also honoring the commitments this Congress made when it was in the hands of the left back in the mid-seventies with reference to special education, the IDEA program that was left unfunded for so many years. This Congress stepped up. That is true compassion, when you couple a sense of commitment with accountability, and we are indebted to the gentlewoman from Illinois for sharing those very cogent points about inaccuracies, and, yes, fraud in terms of student loans and a breach of trust that goes beyond simple inefficiency, simple negligence, to in essence be a crime against the American taxpayer. We are indebted for her point.

Again, we should reaffirm this. We are talking about a 1 percent solution. One penny out of every dollar, one penny out of every Federal dollar spent will keep the budget balanced, stop this raid on Social Security and pay down \$2 trillion in public debt.

Mr. Speaker, my colleagues, can we not save a penny for grandma, because, in so doing, Mr. Speaker, we are helping her grandchildren.

Mr. Speaker, I am pleased to be joined by another newcomer to Congress. He is a gentleman who has learned his lessons well in the field of business, a noted restaurateur and a capable new representative from the Commonwealth of Pennsylvania. I yield now to my good friend, the gentleman from Pennsylvania (Mr. TOOMEY).

Mr. TOOMEY. Mr. Speaker, I thank my colleague from Arizona for yield-

ing. I want to commend the gentleman for the effort he has made consistently to establish and reiterate the importance of fiscal discipline and the opportunity we have before us, which is truly remarkable. But I wanted to suggest that we consider that there are three alternatives, really, to resolving this dispute that we have with the current administration versus Congress in how we are going to end up in this appropriation process this budget process.

The first is the easy way out. The first way would be to follow the suggestion, the budget that the President presented back in February. The easy way out, that has been done for the last three decades at least, and that would be simply raid that Social Security trust fund. That is what has happened so many times in the past. That would be the easy and, I would argue, irresponsible and the wrong way out. We have made it such an important priority of this Congress that we are not going to take that easy, irresponsible way out, that I am delighted to see that it appears that the President has come around to our point of view on this, and it appears that the President recognizes that it would be wrong to spend that Social Security surplus.

There is another way that Congress could get out of this apparent dilemma. That would be to raise taxes. Let us consider this for a moment. This year Federal spending will be higher than it has ever been in the history of this great Nation. This year Federal taxes are higher than they have ever been in the peacetime history of this Nation. The Federal tax burden on working Americans is consuming almost 21 percent of the entire output of our economy.

Now, even after we set aside all the Social Security funds for the next decade, for the purpose of either reforming Social Security or retiring debt, without a penny of that being in the calculations, we still have unprecedented surpluses, projected as far as the eye can see by administration budget forecasts, Congressional budget forecasts, private forecasts.

Mr. Speaker, it strikes me that when taxpayers are paying more than it takes to fund the biggest Federal Government in history, and in addition to that taxpayers are paying Social Security benefits for the next 10 years and then \$2 trillion above and beyond that, which is going to be used for the Social Security trust fund and for retiring debt, when in fact taxpayers are paying \$1 trillion above and beyond all of that over the course of the next 10 years, it seems obvious to me that taxes are simply too high. For the President or anyone else to seriously consider raising taxes in that context is an outrageous infringement upon the freedom of working Americans.

We need to lower taxes, and I am happy that yesterday this body voted on a resolution which I authored which expressed the sense of Congress that we

will not raise Federal taxes. That resolution passed with a vote of 371 to 48. I think it is worth noting, however, that there were 48 Members of this Chamber who felt that despite a record high tax burden on the American people, we should make it an even higher tax burden.

Well, we do not have to worry about that, I do not think, because an overwhelming majority said no, we are not going to raise taxes. So we have established that we are not going to spend that Social Security money on the President's spending wishes.

I think we have established that we are not going to raise taxes to do it. How else do we deal with this issue? We do it from the spending side. This is the common sense solution that we have before us.

Frankly, the fact that a 1 percent across-the-board reduction in waste and fraud and abuse that is in so many of our government programs can solve this problem, can solve this entire budget problem, makes it the obvious solution to me.

As my colleague from Arizona pointed out, my background is in business. I am to this day an owner of two restaurants. Prior to getting in the restaurant business I was in the business of finance.

I can tell you that despite the incredibly intense pressures in the private sector, the pressure that comes from competition, the pressure that comes from another operator, whether it is a restaurant or a shoe store or you name it, despite enormous pressure to be efficient, to lower your costs, any halfway decent business manager can find 1 percent of his budget to trim when he has to. That is despite the enormous ongoing pressures that he already faces.

Now, the government, of course, does not live under the same kind of economic pressures. The Department of Energy, for instance, does not have a competitive Department of Energy down the road against which it has to compete, against which it has to demonstrate consistently that it can lower its costs. The government just does not face those kinds of pressures, which only means it is even easier in government to find out opportunities to eliminate some waste, some excess costs.

That is the opportunity before us. This is a no-brainer. This is an easy opportunity for us to do the right thing, not the irresponsible thing, but to go ahead and allow 1 percent, just 1 percent across the board, of the waste and excesses and frivolous expenses that we know we spend in virtually every government program to be taken out and to achieve the fiscal discipline, the fiscal responsibility, that comes with that.

Mr. HAYWORTH. Mr. Speaker, I thank my colleague from Pennsylvania, and I congratulate him on the overwhelming passage of House Concurrent Resolution 208. I was honored as a member of the Committee on Ways

and Means to bring that legislation to the floor and then yield the time to my friend from Pennsylvania to manage, which he did quite capably, and, Mr. Speaker, we saw evidence of his expertise in the real world dealing with budgets, being responsible for employees offering services to his clients and customers, lessons that served him well in the private sector, Mr. Speaker, lessons that serve us well in the Congress of the United States.

Mr. Speaker, before I yield to one of my friends who preceded all of us in this Chamber, another former broadcaster, in fact, let me just point out again something that the American people may have missed, because on Sundays Americans are at church, enjoying time with their families. The truth be told, Mr. Speaker, a lot of folks do not hunker down for all the public affairs programming that exists, no matter what may happen within the banks of the Potomac.

□ 1745

The gentleman from Missouri (Mr. GEPHARDT), the House Minority Leader, on ABC's "This Week," when asked about the Social Security Trust Fund and keeping those funds off limits for spending, said this, "There is a feeling now that, since we have a surplus, and since we have got to get ready for the baby boomers, that we really ought to try to spend as little of it as possible." He later said, "Oh, we need to save the Social Security surplus as much as we possibly can."

Again, Mr. Speaker, even though I heard the gentleman from Missouri (Mr. GEPHARDT) offer a wonderful tribute to President Ford, where he called on the need for bipartisanship, I would note the gulf between rhetoric and reality, how he has instructed every Member of the minority to vote no on our appropriations bills, how he has said that, while no means no on the constructive business of governing in terms of the appropriations bills, when it comes to keeping the Social Security Trust Fund off limits, no means maybe.

Mr. Speaker, no means no. All we are saying is this, one penny out of every dollar spent, realize those savings, and my colleagues will save Social Security in the process. They will pay down \$2 trillion in public debt. We will continue to balance the budget.

Mr. Speaker, I am pleased to yield to the gentleman from Oklahoma (Mr. ISTOOK), the man who has to make so many challenging decisions as the chairman of the Subcommittee on District of Columbia of the Committee on Appropriations, the gentleman who will have some action on this floor, dare I say, tomorrow as we vote for this 1 percent solution.

Mr. ISTOOK. Mr. Speaker, I was watching as the gentleman from Arizona (Mr. HAYWORTH) was making some of the comments. Tomorrow on the floor of this House, as the gentleman has mentioned and so many other

Members have mentioned, we are going to have a very, very important vote.

I will be the one that will be handling this particular bill on the House floor, because it is a bill that not only appropriates money for operation of Federal agencies, but it says, okay, what is the final thing we need to do to make sure that the budget being passed by Congress, one, is a balanced budget? It does not spend more than we take in. Secondly, it does not spend any of this Social Security surplus to make sure that the money that we spend is only the money that comes from the other revenues of the Federal Government.

Somebody said this is kind of like sanding a block of wood. When one is trying to make something and one has to get all the pieces to fit in, one gets that last piece, and maybe it does not quite fit right, so one sands it down and gets it down to the right size so it does fit in.

This is going to be sanding down the Federal Government so it fits within the goals of balancing the budget and making sure that we do not spend Social Security money in the process. I think that is a worthy goal.

I have heard my friends on the other side of the aisle say, oh, we share that goal. We want to balance the budget and not touch Social Security. The President of the United States stood here in this House chamber in January and said he was going to save 68 percent of the Social Security surplus and not spend it.

Now, I know math; and I know that if one saves 68 percent, one spends 32 percent. So the President's plan was let us spend 32 percent of this Social Security Trust Fund.

We as Republicans, the majority party in the Congress, said, Mr. President, the right thing is do not spend any of it. We know that for years it has been normal in Washington, D.C. under Democrats and then as Republicans as we were taking those final steps to balance the budget, yes, Social Security money was used in the process for far too long. But that time is over.

Now we can balance the Federal budget without using any of that Social Security Trust Fund, without jeopardizing the future security of people who are now retired or who may be retiring in the future. At the same time, this will be reducing the national debt, so that people who are younger today will have the security of knowing that the national debt either will be smaller or nonexistent so they will not be stuck with paying it off; so people today will know that the size of government has shrunk. Now, that seems to me like that is what everybody is saying.

Yet we had the meeting on the conferees of the bill this morning, the bill that comes up tomorrow, the meeting of the conferees; and I could not believe it, the things I heard from some other person. I will not even name the person who said this. One of the Members of Congress on the other side of the aisle

today, he said, "One, we cannot afford these cuts. We cannot do this 1 percent across the board cut." Then he said, "And, by golly, you are spending money out of Social Security."

I called him on the carpet, frankly. I said, "One, I think everybody can afford a 1 percent cut. But, two, if you think that is not enough, if you think we would have to cut further to make sure we do not dip into Social Security, why are you not proposing larger cuts instead of opposing the 1 percent cut?" He got kind of speechless at that point.

I notice this same rationale or lack of logic in the President's comments. I was reading the transcript of his comments today, saying that he does believe in balancing the budget without using Social Security money, and he wants to claim that Republicans are dipping into Social Security.

So we would think, therefore, he would say cut spending further. No, he says raise spending more. Wait a minute. If they claim we are spending Social Security money at this level, and they want to spend more, they would be spending more Social Security money.

They ought to be helping us. They ought to be helping us reduce the size of government. They ought to be proposing more than 1 percent across the board to save money. But, instead, they want it both ways. That is not right. That is Alice in Wonderland-type thinking. I grew up knowing better.

I remember all the meals that we had in my family, and it was a family of five kids, my mom, my dad. My dad was hard working. He would go to work during the day, come home for dinner, and go back to work.

What we would commonly have for dinner, my favorite dinner when I was growing up, was beans and cornbread. If it was not that, it was sliced diced potatoes and white gravy or Kraft dinners, we called them, the macaroni and cheese.

I thought that we had those meals so often because they were so good. Well, it took a while, until I had five kids myself, that I realized we had those meals so often because they were so economical. They were healthy. They were nourishing. We got by fine, but it saved money. The family needed to save.

Maybe we have some Federal bureaucrats that need to be talking about beans and cornbread instead of doing the things that I have heard them say, Cabinet officers on TV, oh, there is no way that we can do a 1 percent cut. Tell that to Mr. and Mrs. America. Tell that to them when they have to sit around the table and have to balance the family budget, and they have to make decisions a lot bigger than cutting 1 percent.

I remember when Jimmy Carter was President of the United States, and he said we cannot spend so much money and so much expense on energy. He said, turn down your thermostats in

the winter. Turn them up in the summer. Do not use so many lights. Conserve electricity. Families do that all the time.

Maybe bureaucrats need some leadership at the top saying conserve things instead of spending more. The President took 1,700 people on a trip to Africa, announced all these government give-aways, and, on top of that, spent, what was it, \$50 million, \$70 million for that huge entourage.

Mr. HAYWORTH. Mr. Speaker, for three trips, Africa, Chile, China, the grand total was in excess of \$70 million with thousands accompanying the President, well over 1,000 in his entourage. That is not taking into account the justifiable needs for security, secret service, and the like for the President of the United States.

I agree with the gentleman from Oklahoma. We need at long last, Mr. Speaker, leadership by example. Part of that bill that the gentleman from Oklahoma will be talking about and helping to manage on this floor tomorrow includes a 1 percent reduction in salary for Members of Congress. Again, I would renew my challenge to the President. He should reduce his salary. Cabinet level officials should reduce their salaries. They should lead by example.

Mr. ISTOOK. Mr. Speaker, if the gentleman will yield, it is especially appalling to see the Clinton-run Pentagon using Clinton-speak. We are putting more money into the Pentagon, even after the 1 percent cut, more money than the President proposed. He had the Pentagon people come to the Congress and say, under the President's budget, they can get along just fine. But now, under the larger budget they will be getting from Congress, the President has been claiming they cannot get by. That does not make sense. They can get by on less from the President. They can get by on more from Congress. They can handle this 1 percent cut like everybody else.

I speak as a member of the Subcommittee on Defense that wants to strengthen our defense, and we are doing it because we are still strengthening it even after applying the same standard to them as to the rest of government.

Mr. HAYWORTH. Mr. Speaker, again, we are actually adding \$2 billion more to this defense budget than this White House and the Pentagon requested.

Facts are stubborn things. No means no. But to the minority party in this chamber and to the folks at the other end of Pennsylvania Avenue, no apparently means maybe when it comes to the Social Security Trust Fund.

Mr. Speaker, let me repeat, the transcript of what transpired today in the White House press room, a journalist to Joe Lockhart, the Press Secretary, question: "Just to be clear, the third option you would consider, you would under no circumstances accept going to the Social Security surplus at this point; is that correct?" Mr. Lockhart

responds, "We have put forward a better way. We hope they will consider it. We will be here. They understand what our ideas are."

This President stood in the well. He said save 62 percent of the Social Security surplus, implying he would spend 38 percent of it on other programs. He outlined various new ways to raise revenue. We brought it to the floor of this House. Not a single Member voted for the Clinton tax-hike package, not anyone on that side. So no meant no when it came to raising taxes.

All we say is this, Mr. Speaker, our 1 percent solution, one penny out of every dollar in savings will save Social Security and stop the raid. A penny saved is a retirement secured.

ARMENIAN TERRORISM AN OUTRAGE

The SPEAKER pro tempore (Mr. RYAN of Wisconsin). Under a previous order of the House, the gentlewoman from Maryland (Mrs. MORELLA) is recognized for 5 minutes.

Mrs. MORELLA. Mr. Speaker, I appear here to add my voice to those who are expressing our strongest sense of outrage at the reported terrorism against the Armenian Congress which has so far claimed the lives of Prime Minister Vazgen Sarkisian, the Speaker of the Assembly Karen Demirchian, Deputy Speaker Bakhshian, Energy Minister Petrosian, and senior economic official Kotanian.

I was pleased to lead a congressional delegation to visit Armenia during the August month. We had the opportunity to personally meet with these individuals who were clearly professionals on all they did, dedicated to the well being of the country and its people, and repeatedly demonstrated their obvious commitment to bringing peace and prosperity to the region. In fact, we were there to help to promote the peace process with Nagorno-Karabakh and Azerbaijan.

Prime Minister Sarkisian, only a few days before we arrived, had addressed the people of Armenia on a television broadcast talking about the window of opportunity that Armenia had for the peace process as well as opportunities for trade in Armenia by those from other parts of the world, as well as the need to do something about corruption, to prevent corruption, and for transparency, for openness of the system. He got great applause; but it was, indeed, a very courageous statement he made.

He was also here less than a month ago, and many of us who were interested in Armenia met with him and again discussed the process of the peace progress as well as the openness to trade and the advancements that are being made by the brilliant Armenian people.

I am just very saddened by what we have learned about what has happened. This unwarranted intrusion against the Armenian people's democratically elected leaders must not in any way

deter the commitment of the Armenian government to further develop and strengthen the nation's democracy.

Our prayers and our best wishes are with the people of Armenia in the hope that the current hostage situation will be peacefully resolved and the perpetrators of this heinous crime are brought to justice.

DIGITAL DIVIDE AND POTENTIAL SOLUTIONS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, the gentleman from Connecticut (Mr. LARSON) is recognized for 60 minutes.

Mr. LARSON. Mr. Speaker, today across our Nation, we are most fortunate that this economy that we are participating in continues to surge and roar. Yet, Mr. Speaker, today based on the finding of the Commerce Department, we find an alarming trend throughout this country as it relates to something that is commonly referred to as the digital divide.

□ 1800

The genesis for this special order this evening is to discuss that divide and potential solutions through prospective legislation that will be introduced in a compendium of bills that colleagues from the Committee on Science and the Committee on Education and the Workforce will be addressing as we move forward this evening.

In a conference report entitled *Falling Through the Net*, Larry Irving, in testifying before the Subcommittee on Empowerment of the Committee on Small Business, and speaking directly to the ranking minority member, the gentlewoman from California (Ms. MILLENDER-MCDONALD), reported the following: He cited that there is an alarming trend that is taking place all across this Nation. Even though there is greater access to the Internet, what we find is that the gap is widening between those who have access to information and those who do not. And for those who do not, most disturbingly we find that it is happening along the lines of race, gender, geography and wealth.

We must seek to close that gap. We must seek to make sure that in the policies that we enact here in the United States Congress that we leave no one behind in this economy.

This poses a problem for us because of this gap. It is three-tiered. First, in terms of the economic isolation that it creates; economic isolation that all too often takes place within our urban areas and, therefore, impacts our minority populations who live there; economic isolation that takes place in our rural communities because of the inability for us to reach those communities with the technology they richly deserve and need; and it also results in an inferior form of education.

The gentleman from Michigan (Mr. EHLERS), who serves on the Committee